



U.S. Department of Justice

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For Immediate Release:

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February 1, 2005

EVENT: COMPLAINT

Defendants: Anne Lockwood, Fuping Liu

Date: February 1, 2005

**TWO CHARGED WITH PROVIDING U.S.
AUTO SUPPLIER'S TRADE
SECRETS TO CHINESE MANUFACTURER**

Two United States citizens were arrested today on a complaint charging them with theft of trade secrets, transmitting trade secrets to a Chinese company, and conspiracy.

According to the complaint, Anne Lockwood, 52, of Rochester Hills, Michigan, and Fuping Liu, 41, who currently resides in Shanghai, in the Peoples Republic of China, took confidential information belonging to Metaldyne Corporation, of Plymouth, Michigan, and, without authorization, transmitted such information to Chongqing HuaFu Industry Co., Ltd., a Chinese manufacturing company in Chongqing, PRC. Fuping Liu also is charged with taking confidential information belonging to GKN Sinter Metals, headquartered in Auburn Hills, Michigan, and transmitting it to Lockwood. Lockwood was a Vice President of Sales for Metaldyne Corporation until February of 2004. Fuping Liu was employed at Metaldyne's

Shanghai, PRC, office until April, 2004, after which Liu was employed as a director of technology by GKN Sinter Metals' office in Shanghai.

The affidavit in support of the complaint alleges that Lockwood obtained detailed information regarding Metaldyne's secret powdered metal forging process, including technical specifications and confidential cost information, and provided this information to Chongqing Huafu Industry, Co., Ltd., a Chinese manufacturer. Liu introduced Lockwood to representatives of Huafu, and served as a partner and go-between in the transfer of trade secrets. Liu also took similar internal cost and technical information regarding GKN's powdered metal processes and provided such information to Lockwood.

Lockwood and Liu were arrested today and appeared on the complaint before United States Magistrate Judge Mona K. Majzoub charging them with taking and transmitting trade secrets, as well as conspiracy to do the same, in violation of Title 18, United States Code, Sections 1832(a)(1), (a)(2), and (a)(5).

Assistant United States Attorney Terrence Berg, who is handling the case, stated that that, "Ms. Lockwood was released on \$10,000 unsecured bond and was required to turn in her passport. Mr. Liu was detained pending a hearing to determine whether he is a risk of flight. A preliminary examination was scheduled for February 18, 2005.

Assistant United States Attorney Berg added that, "A conviction of this offense carries a maximum penalty of ten years in prison or a \$250,000 fine, or both. Any sentence will ultimately be imposed under the United States Sentence Guidelines according to the nature of the offense and the criminal background, if any, of the defendant."

A complaint is only a charge and is not evidence of guilt. Trial cannot be held on felony charges

in a complaint. When the investigation is completed a determination will be made whether to seek a

felony indictment. This case is being investigated by the Federal Bureau of Investigation.